United Nations A/55/941

General Assembly

Distr.: General
15 May 2001

Original: English

Fifty-fifth session
Agenda item 167
Financing of the United Nations organization mission in the Democratic Republic of the Congo

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Report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on the financing of the United Nations Organization Mission in the Democratic Republic of the Congo (MONUC) (A/55/935). During its consideration of the matter, the Committee met with representatives of the Secretary-General, who provided additional information.

2. The mandate of MONUC is contained in paragraph 7 of Security Council resolution 1291 (2000) of 24 February 2000. In the same resolution, the Council authorized the expansion of the Mission to consist of up to 5,537 military personnel, including up to 500 military observers. The mandate of MONUC has been extended by the Security Council in its subsequent resolutions, the latest of which was resolution 1332 (2000) of 14 December 2000, by which the Council extended the Mission's mandate until 15 June 2001. As indicated in paragraphs 25 to 27 of the report, the Secretary-General intends to submit to the Security Council a report by 15 June 2001, when the current mandate of MONUC expires. In this connection, it is envisaged to develop a third phase of MONUC deployment and a revised concept of operation for the Mission as early as mid-June 2001.

3. As indicated in the summary of the Secretary-General's report, the General Assembly, in its resolution 54/260 A of 7 April 2000, authorized the Secretary-General to enter into commitments with assessment for MONUC for the period from 6 August 1999 to 30 June 2000 in an amount not exceeding $200 million gross ($199,760,000 net), inclusive of the initial amount of $41,011,200 gross ($40,771,200 net) previously authorized by the Advisory Committee for the Mission in its letters to the Secretary-General of 24 November and 27 December 1999. Subsequently, by its resolution 54/260 B of 15 June 2000, the General Assembly decided to reduce the commitment authority provided for the operation of the

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Mission in its resolution 54/260 A to $58,681,000 gross ($58,441,000 net) for the period from 6 August 1999 to 30 June 2000.

4. In paragraph 4 of its resolution 54/260 B, the General Assembly also authorized the Secretary-General to enter into commitments with assessment for the operation of the Mission for the period from 1 July 2000 to 30 June 2001 in an amount not exceeding $141,319,000 gross ($140,827,100 net), which represented the difference between the commitment authority of $200 million provided for in its resolution 54/260 A for the period from 6 August 1999 to 30 June 2000 and the reduced commitment authority of $58,681,000 gross ($58,441,000 net). Furthermore, on 23 April 2001, the Advisory Committee granted additional commitment authority in the amount of $49,865,400 gross ($49,530,700 net) for the operation of MONUC for the period from 1 July 2000 to 30 June 2001.

5. Total resources provided for MONUC since 6 August 1999 thus amount to $249,865,400 gross ($248,798,800 net). Of the total amount assessed for the Mission of $200 million, the Advisory Committee was informed that payments received amounted to $167.1 million as at 30 April 2001.

6. The report of the Secretary-General (A/55/935) contains the financial performance report of the Mission for the period from 6 August 1999 to 30 June 2000, the proposed budget for the operations of MONUC for the period from 1 July 2000 to 30 June 2001 and its estimated initial requirements for the period from 1 July to 31 December 2001.

7. The Advisory Committee notes that the performance report was not submitted separately (see paras. 8 and 9 below). Furthermore, the Committee notes that because of circumstances related to the United Nations involvement in the Democratic Republic of the Congo, as outlined in a number of reports of the Secretary-General to the Security Council and to the General Assembly, there has not been until now a formal budget for the period ending 30 June 2001. **However, in the view of the Committee, the current report submitted to the General Assembly at its fifty-fifth session does not qualify as a proper budget document. The report does not contain sufficient information on many issues, including those related to the concept and structure of the Mission, posts and operational requirements. In the Committee's opinion, the data and narratives contained in the report are incomplete and do not provide the needed justification that would allow necessary consideration, by the Advisory Committee, of the Secretary-General's estimates. The Committee trusts that the next report of the Secretary-General on the financing of MONUC, to be submitted to the General Assembly at its fifty-sixth session, will include a complete and fully justified budget for 2001/02, together with a full performance report for the period ending 30 June 2001. Under the circumstances, the views of the Committee on the financing of MONUC indicated in this report are of a preliminary nature.**

Financial performance report for the period from 6 August 1999 to 30 June 2000

8. As indicated in table 1 of the report (A/55/935, para. 28), expenditures for the period from 6 August 1999 to 30 June 2000 amounted to $55,271,400 gross ($54,835,700 net), inclusive of $32,342,300 in unliquidated obligations, reflecting a variance of $3,409,600 as compared with the apportionment of $58,681,000 authorized for the period.

9. The Advisory Committee notes the expenditure information provided in sections III.A and III.C of the report. **The Committee regrets that no explanation was provided in the report on the reasons for variations in expenditures as compared with apportionments for all items of the budget.**

Cost estimates for the period from 1 July 2000 to 30 June 2001

10. As indicated in paragraph 45 of the report, for the period from 1 July 2000 to 30 June 2001, the proposed budget amounts to $273,119,600 gross ($270,085,600 net), inclusive of the commitment authority with assessment of $141,319,000 gross ($140,827,100 net) approved by the General Assembly in its resolution 54/260 B of 15 June 2000 and additional commitment authority without assessment of $49,865,400 gross ($49,530,700 net) granted by the Advisory Committee on 23 April 2001.

11. **In the view of the Advisory Committee, the proposed increase in requirements of $81,935,200 gross for the period from 1 July 2000 to 30 June 2001 (i.e., from $191,184,400 gross to $273,119,600 gross) is not properly supported with convincing justifications.** The Advisory Committee was provided with preliminary expenditures for the period ending 30 June 2001, as at 31 March 2001, amounting to $137,656,000 (including $44.9 million in unliquidated obligations and $20.3 million in unliquidated pre-encumbrances). **Taking into account its observations as indicated below, the Advisory Committee recommends that the General Assembly appropriate a total of $232,119,600 gross for the period from 1 July 2000 to 30 June 2001 (consisting of $191,184,400 already authorized and an additional $40,935,200) and that commitment authority (without assessment) be granted for $41 million gross representing the balance of the Secretary-General's request (see para. 26 below).**

12. The Advisory Committee notes from paragraph 58 of the Secretary-General's report that requirements for military personnel of $33,175,400 relate to the cost of the phased deployment of up to 2,446 military personnel, including up to 550 military observers. The Committee was informed that as at 30 April 2001, over 1,200 troops have been deployed to headquarters and sector locations. As regards the method of deployment, the Committee was informed that troops and equipment (contingent-owned equipment and United Nations-owned equipment) will be airlifted via Kinshasa/Goma logistics bases or directly to sector headquarters where airfields can accept heavy aircraft. Military observers and civilian staff will be deployed by commercial airlines to the mission area.

13. Resources under civilian personnel amount to $28,790,500 for salaries and related costs for the phased deployment of staff up to a level of 663 civilian personnel, comprising 338 international staff (144 Professional, 33 General Service and 161 Field Service staff) and 325 local staff by 30 June 2001. **With respect to the proposed staffing and post grades, the Committee, owing to the difficulties referred to in paragraph 7 above, is not in a position to pronounce itself on the level of the staff and its structure. It will do so when a full budget is presented in the context of the requirements for the period ending 30 June 2002. In the meantime, the Committee is of the view that in managing the provisional staffing table, the Secretary-General should take fully into account its**

observations as contained in documents A/54/875, paragraphs 8 and 9, and A/54/842, paragraphs 10 and 11.

14. **In this connection, the Advisory Committee recommends that, pending submission of a proper budget for MONUC for the period from 1 July 2001 to 30 June 2002, which would take into account the review of the Secretary-General mentioned in paragraph 2 above, that authority be granted to enter into contractual arrangements with staff up to one year in order to avoid disruption in the conduct of MONUC operations. Staff employed against posts which eventually are not approved would be accommodated against vacancies until the expiry of their contracts, if necessary. The Secretary-General would be allowed to proceed with the redeployment of posts among various offices of the Mission, although the staffing table has not yet been approved for the periods from 1 July 2000 to 30 June 2001 and from 1 July 2001 to 30 June 2002.**

15. The Advisory Committee notes from section IV.B of the report that the planned deployment of civilian personnel for the period ending 30 June 2001 includes nine high-level posts (1 USG, 1 ASG, 3 D-2, 4 D-1). Upon request, the Committee was informed that, as at 10 May 2001, five high-level posts were encumbered. **The Committee recognizes that the Secretary-General should have authority to manage the staffing of the Mission with flexibility, as indicated in paragraph 13 above. The Committee nevertheless reiterates its view that it should not be assumed that the General Assembly would approve a requested post at the level of an incumbent temporarily placed against a vacant post (see A/55/839, para. 33 and A/55/874, para. 39).**

16. Provisions under operational requirements amount to $207,708,400 and include premises/accommodation ($11,451,500), infrastructure repairs ($5,130,000), transport operations ($37,534,100), air operations ($63,295,500), communications ($26,139,600), other equipment ($22,362,700), supplies and services ($9,010,000) and air and surface freight ($32,785,000). The estimates include an amount of $133,590,400 in non-recurrent costs (A/55/935, para. 64 and section IV.G).

17. As indicated in section IV.C, summary statement, and paragraph 69 of the report, a provision of $63,295,500 for an air transport fleet comprising 35 aircraft (8 helicopters and 27 fixed-wing aircraft under long-term commercial and letter-of-assist arrangements) would be required. The Advisory Committee recalls that $26,973,700 was requested for this purpose as part of the commitment authority of $49,865,400 granted by the Committee on 23 April 2001 for the period from 1 July 2000 to 30 June 2001.

18. During the hearings, the Advisory Committee was provided with revised air transport fleet requirements, as at 10 May 2001, comprising 29 aircraft (10 helicopters and 19 fixed-wing aircraft). The Committee was informed of changes in the number and composition of the heavy-cargo aircraft. As at 10 May 2001, 25 aircraft had been positioned and were operating throughout the mission region. The Committee was informed that the air transport capacity is not being fully utilized. **Given this fact, and taking into account the nearly $27 million already provided for air operations (which was based on a fleet of 35), the Advisory Committee queries the rationale for an increase of nearly $40 million for the air transport fleet.**

19. Given the geographical size of the area of MONUC operations and the lack of sound transportation infrastructure in the mission area, the Advisory Committee recognizes that the provision of air assets is a critical component for the successful operation of the Mission. The Committee also sees the justification to start processing air operation contracts to ensure timely availability of air support when the Mission requires it. The Committee is, however, concerned by the apparent placement of an extensive air support capacity before it would seem to be needed in full. **The Committee recommends that a careful review be made of the timing of the activation of the additional aircraft now under contractual processing, with particular attention to the timing of the heavy-lift capacity.**

20. **The Advisory Committee recommends further that an effective adequate mission capacity be installed to monitor the use of air assets. The Committee is also of the opinion that arrangements should be in place to ensure appropriate and timely reimbursement for air support services provided by MONUC to other partners in the mission area.**

21. As indicated in paragraph 76 of the report, provision for supplies and services of $9,010,000 includes requirements of $5,697,600 for contractual services. The Advisory Committee was informed that a number of service contracts have already been approved. These include contracts for fuel, water, air support services, engineering support, communications and data-processing services and other services. **The Committee requests that detailed information on all service contracts for MONUC should be given to it when it takes up the estimate for the period from 1 July 2001 to 30 June 2002 during the autumn of 2001.**

22. **The Committee recommends that, in the context of the next budget submission, at least four Professional posts be provided for mission resident auditors for headquarters and the sectors, as appropriate, in view of the need to have in place an effective means to ensure proper control of mission resources and assets.**

23. Provision of $411,300 for other programmes includes $300,000 for quick-impact projects. The Advisory Committee was informed that for large missions such as MONUC it was planned to apportion about $1 million for small-scale projects (costing up to $15,000) to cover immediate assistance under the guidelines for quick-impact projects (see A/55/688/Add.1, annex II). In view of the fact that activities in MONUC are just commencing, the balance of $700,000 was anticipated to be sought as part of the budget for the period 2001/02. The Advisory Committee notes that specific projects are not proposed in the budget of the Mission. Subject to the decision of the General Assembly, the Advisory Committee reiterates its view that, if available, information on quick-impact projects be reflected in the relevant budget reports and that the Secretary-General report on their implementation in the performance reports (A/55/874, para. 56).

24. The Advisory Committee trusts that there will be an effective and adequate mechanism to share information and to coordinate the activities and programmes of the United Nations system in the Democratic Republic of the Congo with those of external partners to ensure the optimum use of the resources provided by the United Nations system and other partners to implement the mandate of MONUC. **The Committee requests that appropriate information on this issue should be included in the next budget submission of the Secretary-General, including a full description of the planning process for coordination with an indication of**

the division of responsibilities for such planning as between Headquarters and the field.

Cost estimates for the period from 1 July to 31 December 2001

25. Section V of the Secretary-General's report includes the initial estimates for the period from 1 July to 31 December 2001 to cover requirements for the operations of MONUC. As indicated in paragraphs 85 and 86 of the report, in view of the situation in the mission area at the time of the submission of the budget report, and with the possibility of an expansion of the mandate of the Mission (phase III) (see S/2001/373, paras. 93-97), resources are being requested in the amount of $209,965,600 gross ($204,788,900 net) for a six-month period from 1 July to 31 December 2001 to be provided under commitment authority with assessment. Provisions are included for the deployment of 2,450 military personnel, including 550 military observers, as well as to cover the requirements of a proposed provisional staffing complement of 1,631 civilian posts (752 international, 733 local and 146 United Nations Volunteers). As indicated in paragraphs 13 to 15 above, the Advisory Committee has not reviewed in detail the proposed staffing table of MONUC. It expects to review fully the proposed staffing table for the period from 1 July to 31 December 2001 in the context of the budget report for the period from 1 July 2001 to 30 June 2002 to be submitted to the General Assembly at its fifty-sixth session. **Since actual requirements for MONUC for the period from 1 July 2001 to 30 June 2002 are likely to be far in excess of the amount that has been requested by the Secretary-General, and in keeping with its view that ex post facto appropriation of amounts already assessed should, if possible, be avoided, the Advisory Committee recommends an initial appropriation with assessment of $200 million for the financial period.**

Conclusion

26. **With respect to the action proposed by the Secretary-General, in paragraph 89 of his report on the financing of MONUC, the Advisory Committee recommends that the General Assembly, at its fifty-fifth session, approve the following:**

(a) The appropriation of $58,681,000 gross ($58,441,000 net), previously authorized as commitments by the General Assembly in its resolution 54/260 B of 15 June 2000 for the establishment and operation of the Mission for the period from 6 August 1999 to 30 June 2000;

(b) The application of the unencumbered balance of $3,409,600 gross ($3,605,300 net) for the period ending 30 June 2000 to the ensuing period from 1 July 2000 to 30 June 2001;

(c) The appropriation of $232,119,600 gross ($229,085,600 net) for the operation of the Mission for the period from 1 July 2000 to 30 June 2001 inclusive of the amount of $141,319,000 gross ($140,827,100 net) previously authorized as commitments for MONUC by the General Assembly in its resolution 54/260 B of 15 June 2000 and the commitment authority of $49,865,400 gross ($49,530,700 net) granted by the Advisory Committee on 23 April 2001;

(d) The assessment of $90,800,600 gross ($88,258,500 net) for the Mission for the period from 1 July 2000 to 30 June 2001, in addition to the amount of $141,319,000 gross ($140,827,100 net) previously assessed in this period under the terms of General Assembly resolution 54/260 B;

(e) The commitment, without assessment, of $41 million gross and net for the period ending 30 June 2001 (see para. 11 above);

(f) The appropriation and assessment of an initial amount of $200 million gross for the maintenance of the Mission for the period from 1 July to 31 December 2001, pending submission of a full budget for the financing of MONUC for the period from 1 July 2001 to 30 June 2002.